

**House Education Committee Amendment**

**AMENDMENT NO.** \_\_\_\_\_

\_\_\_\_\_  
**Signature of Sponsor**

**FILED**

Date \_\_\_\_\_

Time \_\_\_\_\_

Clerk \_\_\_\_\_

Comm. Amdt. \_\_\_\_\_

**AMEND Senate Bill No. 0594**

**House Bill No. 0581**

by deleting all language after the enacting clause and substituting therefore the following:

SECTION 1. Tennessee Code Annotated, Title 49, Chapter 3, Part 3, is hereby amended by adding the following language as a new section:

(a) Beginning with the 1995-1996 fiscal year, for each local education agency (LEA) whose instructional salaries and employer-paid insurance premiums average less than twenty-eight thousand ninety-four dollars (\$28,094) per instructional position, there shall be an allocation of state and local funds based on: (1) the difference between the aforesaid minimum and the actual average instructional salaries and employer-paid insurance premiums, (2) the social security and retirement rates used each year in the basic education program (BEP) formula established in Section 49-3-351, and (3) the number of instructional positions generated each year by the BEP formula. The state shall pay each year from direct appropriations in support of teachers' salary equity a percentage share of such allocation based on the state classroom percentages determined for each LEA by the BEP formula. Every local government shall appropriate funds sufficient to fund the local share of the allocation for teachers' salary equity established in this section. No LEA shall commence the fall term until its share of such allocation for teachers' salary equity established in this section has been included in the budget approved by the local legislative body.

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(b) Any LEA that receives funds for teachers' salary equity under subsection (a) shall apply such funds to establish a schedule that raises the average compensation package (instructional salaries and employer-paid insurance premiums) of instructional personnel of the LEA to twenty-eight thousand ninety-four dollars (\$28,094). This compensation improvement may be in the form of salaries, employer-paid health insurance premiums or any combination of the two.

(c) If state funds appropriated for teachers' salary equity are insufficient to meet the local public school systems' entitlements under subsection (a), the commissioner shall apply a pro rata reduction to the amount for which each system is eligible. The same pro rata reduction shall be applied to the local matching requirement established in subsection (a). In addition, the local school board shall apply the same pro rata reduction to the average increase per instructional position required to reach twenty-eight thousand ninety-four dollars (\$28,094).

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.